

Dorcas House Trust

(otherwise known as Portreeves or Corporation Almshouses)

ANNUAL REPORT

and

STATEMENT OF ACCOUNTS

2013/14

Registered Charity Number: 235337

DORCAS HOUSE TRUST - ANNUAL REPORT FOR THE YEAR TO 31ST MARCH 2014

Purpose of the Report

To update members of the Area South Committee who collectively act as trustees for the Dorcas House Trust.

Public Interest

Dorcas House Trust (otherwise known as Portreeves or Corporation Almshouses) is a registered Charity, No. 235337 and is regulated under Charity Commission Schemes dated 3rd September 1973 and 1st February 1978. The Area South Committee act as Trustees of the trust.

Recommendation

That the report be noted.

Background

Dorcas House Trust (otherwise known as Portreeves or Corporation Almshouses) is a registered Charity, No. 235337 and is regulated under Charity Commission Schemes dated 3rd September 1973 and 1st February 1978.

Dorcas House is located in Preston Grove, Yeovil. The land on which Dorcas House is sited was conveyed to the Borough of Yeovil by means of a Deed of Gift on 30th May 1910. It was then transferred as a site for an Almshouse. The trusteeship is vested in South Somerset District Council and delegated to the Area South Committee.

The Council was under obligation to erect an Almshouse and forever thereafter maintain the building. Once built, Dorcas House was only to be used for poor women inhabitants of the Parish of Yeovil. In more recent years SSSC applied to the Charities Commission to have the covenants changed to allow women and their children to reside in the property.

Concerns regarding the ongoing cost of maintaining and managing the building in future years, together with the unsuitability and inflexibility of the accommodation prompted the trustees to consider alternative options to meet the objectives of the trust.

In February 2012 the Area South Committee, acting in their capacity as trustees for the Dorcas House Trust, considered a confidential report, which set out the possible options available for the trust and agreed the following actions:

- Members, acting as trustees to the Charitable Trust, delegated power to Cllr Tony Fife to act as the nominated Member on the working group and to make decisions on behalf of the Charitable Trust without referral back to Committee.
- Members gave approval for Cllr Tony Fife and the Working Group to work with the Charities Commission to develop an acceptable scheme for the disposal of Dorcas House and the re-provision of more suitable accommodation.
- Members gave approval to market Dorcas House with Connells Estate Agents, subject to agreement of an acceptable scheme by the Charities Commission.

In addition to the property known as Dorcas House the trust also included managed investment funds. The trustees delegated authority to the Council's finance officer to liquidate these shares as and when this was appropriate and this was done in October 2013 as share prices were strong at that time.

Following advice from the Charities Commission that the Trustee's were permitted to sell and re-provide without the need for formal permission, the property was placed on the open market with Connells estate agents. The sale was completed in October 2013 producing a net capital receipt of £371,572 and in addition investments were realised for a sum of £52,032. Together with the cash balance held there is a capital fund of £437,974 for replacement properties.

It is proposed to seek replacement properties for the charitable foundation as opportunities arise within the settlement of Yeovil – for example as part of the obligated affordable housing on a qualifying site or as an adjunct to traditional housing association homes on an infill site.

It is proposed that the properties procured are two-bedroomed self-contained houses or flats, possibly in pairs rather than a block of dwellings in a single building as was previously the case.

However there have, as yet, been no opportunities as recently very few sites have come forward in Yeovil. In fact all three key sites have been subject to some renegotiation of the level of obligated affordable housing due to viability and the only possible Housing Association led infill site has fallen through before reaching planning application stage.

Once the arrangements are made for alternative provision the original terms of the Dorcas House trust will continue to apply to the new accommodation.

Financial Implications

Dorcas House draft statement of accounts details the financial position of the charity as at 31st March 2014 and is submitted for approval by Area South Committee at this July 2014 meeting.

Corporate Priority Implications

This work supports the following corporate aims:

- Improve the Housing, Health and well being of our citizens

Carbon Emissions & Adapting to Climate Change Implications (NI188)

Energy leakage from the existing building will be decreased when the new owner redevelops the property. Re-investment of the proceeds of sale will be used for property that will be built to modern standards, which will be more energy efficient.

Equality and Diversity Implications

The nature of the Charitable Trust dictates the client group whose needs are met by this provision. We are in discussion with the Charities Commission about amendment of allowed usage that would broaden the nature of the client group.

Peter Gubbins
Chairman of Area South Committee
On behalf of the board of trustees

Date:

DORCAS HOUSE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

For the Year Ended 31st March 2014

	Notes	2013/14 Income Fund General Purposes		2012/13 Income Fund General Purposes	
		£	£	£	£
Incoming Resources					
Activities for generating funds					
Rental Income			7,543.98		24,203.28
Investment Income					
Interest on Investments			2,260.20		51.90
			9,804.18		24,255.18
Total incoming resources					
Resources Expended					
Costs of generating funds					
Repairs & Maintenance to Hostel		4,110.78		8,314.94	
Health & Safety at Work		32.06		225.75	
Utilities		1,633.31		733.18	
Council Tax		1,582.55		173.51	
Contract Cleaners		185.40		401.70	
Equipment, Tools and Skip Hire		0.00		265.00	
Bad & Doubtful Debt provision for rent		(1,681.64)		695.00	
			5,862.46		10,809.08
Other Expenditure					
Property management charges		2,540.10		3,981.74	
Professional fees		1,276.31		1,199.06	
			3,816.41		5,180.80
			9,678.87		15,989.88
Total resources expended					
			125.31		8,265.30
Net (outgoing) resources					
Other recognised gains / (losses)					
Gains / (Losses) on revaluation of investments	3		889.21		7,641.24
Proceeds from sale of Dorcas House			371,572.50		
			372,587.02		15,906.54
Net movement in funds					
Reconciliation of funds					
Fund balances brought forward at 1 April 2013			66,595.03		50,688.49
Fund balances carried forward at 31 March 2014	4		439,182.05		66,595.03

DORCAS HOUSE TRUST

BALANCE SHEET

As at 31st March 2014

	Notes	2013/14		2012/13	
		£	£	£	£
Current Assets					
Investments	2	1,207.70		52,350.47	
Debtors		681.60		2,653.77	
Cash	3	437,292.75		16,795.17	
		439,182.05		71,799.41	
Current Liabilities					
Short Term Creditors		0.00		(5,204.38)	
		0.00		(5,204.38)	
Net Current Assets			439,182.05		66,595.03
<u>NET ASSETS</u>			439,182.05		66,595.03
Represented by:					
Endowment Fund	4		1,207.70		1,303.90
Capital/Unrestricted Funds	4		437,974.35		65,291.13
<u>Total Funds</u>			439,182.05		66,595.03

These accounts were approved by the Trustees on _____ and signed on their behalf by:

Peter Gubbins
(Chairman of Joint Area Committee South)

DORCAS HOUSE TRUST

Notes to Financial Statements for the year ended 31 March 2014

1 Accounting Policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception that investments are included at market value.

2 Investments

	Value
Government Stocks	£
Brought forward on 1 April 2013	1,303.90
Loss on revaluation at year end	<u>(96.20)</u>
Carried forward on 31 March 2014	<u>1,207.70</u>
CCLA Investment Management Ltd.	£
Brought forward on 1 April 2014	51,046.57
Investment sold October 2013	<u>(52,031.98)</u>
Surplus on revaluations during the year	985.41
Carried forward on 31 March 2014	<u>(0.00)</u>
Total Investments	<u>1,207.70</u>

3 Cash

In October 2013 Dorcas House was sold, liquid funds are being held so that as soon as more suitable accommodation becomes available a cash purchase can be made.

	£	£
Brought forward on 1 April 2013		16,795.17
Proceeds from CCLA investment	52,031.98	
Proceeds from sale of Dorcas House	<u>371,572.50</u>	
		423,604.48
Adjustment for 2013/14		<u>(3,106.90)</u>
		437,292.75

4 Analysis of funds

	2013/14	2012/13
	£	£
Endowment fund	1,207.70	1,306.81
Capital & Unrestricted funds	<u>437,974.35</u>	<u>65,291.13</u>
	439,182.05	66,597.94